STATE OF ILLINOIS

SECRETARY OF STATE

SECURITIES DEPARTMENT

IN THE MATTER OF:)
QUE-CORP., QUEENSWAY COMPANIES)
and) File No. 1700509
JAN F. TATMAN)
RESPONDENTS.)

ORDER OF PROHIBITION

TO RESPONDENTS:

Que-Corp.

22817 Ventura Blvd., Ste. 400 Woodland Hills, CA 91364

Queensway Companies

P.O. Box 10537

Canoga Park, CA 91309

Jan F. Tatman 5201 Sale Ave.

Woodland Hills, CA 91364

WHEREAS, the above-captioned matter came to be heard on November 15, 2017, pursuant to the Notice of Hearing dated September 19, 2017, served on the Respondents by Petitioner Secretary of State, and the record of the matter, under the Illinois Securities Law of 1953 [815 ILCS 5] ("the Act"), has been reviewed by the Secretary of State or his duly authorized representative.

WHEREAS, the rulings of the Hearing Officer on the admission of evidence and all motions are deemed proper and are hereby concurred with by the Secretary of State.

WHEREAS, the proposed Findings of Fact, Conclusions of Law and Recommendations of the Hearing Officer, James L. Kopecky, in the above captioned matter have been read and examined.

WHEREAS, the following proposed Findings of Fact of the Hearing Officer are hereby adopted as the Findings of Fact of the Secretary of State:

1. The Department properly served the Respondents with the Notice of Hearing.

- 2. The Illinois Securities Department ("Department") issues a Notice of Hearing on September 19, 2017 with the hearing set for November 15, 2017.
- 3. The Notice of Hearing included the information required under Section 130.1102 of the Rules and Regulations.
- 4. The Notice of Hearing was duly served on Respondents by certified mail, return receipt requested at their last known address.
- 5. The Respondents Que-Corp and Queensway Companies did not appear and did not file an answer or other responsive pleading.
- 6. Respondent Jan Tatman did not appear at the hearing.
- 7. Respondent Jan F. Tatman ("Respondent Tatman") is an individual with a last known address of 5201 Sale Ave. Woodland Hills, CA 91364.
- 8. Respondent Que-Corp. ("Respondent Que-Corp. ") is an entity with a last known address of 22817 Ventura Blvd., Ste. 400, Woodland Hills, CA 91364.
- 9. Respondent Queensway Companies. ("Respondent Queensway Companies") is an entity with a last known address of P.O. Box 10537 Canoga Park, CA91309.
- 10. During the summer of 2017, Respondents offered for sale by mail and telephone, an investment which would "Triple Your Capital in Just Three Years"! . . . plus, you must receive regular "Cash Pay-Outs Starting Immediately"!...".
- 11. During the summer of 2017, Respondents offered for sale by mail and telephone a "principal protected investment" in a "fixed duration fund" which would allow investors to "exercise priority 'Stock Options'!."
- 12. At all-time relevant herein, Respondents offered for sale by mail and telephone an investment transaction which included "highly valuable stock options."
- 13. At all times relevant herein, Respondents offered for sale said investment transactions to at least one Illinois resident via United States mail.
- 14. At all times relevant herein, Respondents failed to notify potential investors that on March 29, 2010, The Securities Commissioner of the State of North Dakota issued a Cease and Desist Order against Respondent Que-Corp. for engaging in conduct similar to the conduct alleged herein.

WHEREAS, the following proposed Conclusions of Law made by the Hearing Officer are correct and are hereby adopted as the Conclusions of Law of the Secretary of State:

1. The Department properly served the Notice of Hearing on Respondents.

- 2. The Notice of Hearing included the information required under Section 1102 of the Code.
- 3. The Secretary of State has jurisdiction over the subject matter pursuant to the Act.
- 4. Because of Respondents Que-Corps' and Queensway's failure to file a timely answer, make a special appearance or other responsive pleading in accordance with Section 1104:
 - (a) the allegations contained in the Notice of Hearing are deemed admitted as to each;
 - (b) these Respondents waived their right to a hearing;
 - (c) these Respondents are subject to an Order of Default.
- 5. Because all Respondents failed to appear at the time and place set for hearing, in accordance with Section 1109, they:
 - (a) waived their right to present evidence, argue, object or cross examine witnesses; or
 - (b) otherwise participate at the hearing.
- 6. The activities described in the Findings of Fact above constitute the offer and/or sale of a securities and as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").
- 7. Section 5 of the Act provides, *inter alia*, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois.
- 8. Respondents failed to file with the Secretary of State an application for registration of the securities described above as required by the Act and that as a result the securities were not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois.
- 9. Section 12.A of the Act provides, *inter alia*, that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.
- 10. Section 12.D of the Act provides, *inter alia*, that it shall be a violation for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
- 11. Section 12.F of the Act provides that it shall be a violation of the Act to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which work or tends to work a fraud or deceit upon the purchaser.
- 12. Section 12.I of the Act provides, *inter alia*, it shall be a violation of the Act for any person, "[t]o employ any device, scheme or artifice to defraud in connection with the sale or purchase of any security, directly or indirectly."

- 13. By virtue of the foregoing, the Respondents have violated Sections 12.A, 12.D, 12.F and 12.I of the Act.
- 15. Section 11.E (2) of the Act provides, *inter alia*, that if the Secretary of State shall find that if any person has violated subsection C, D, E, F, G, H, I, J or K of Section 12 of the Act, the Secretary of State may by written order permanently prohibit or suspend the person from offering or selling any securities in Illinois.
- 16. Pursuant to Section 11.E.4 of the Act, a fine may be imposed for each violation of the Act, "not to exceed \$10,000 for each violation...," although the fine has been waived in this case.

WHEREAS, the Hearing Officer recommends that the following requests be granted:

- 1. The Department's request for a Default Judgment against Respondents Que-Corps. and Queensway Companies for failure to file a timely answer, make a special appearance or other responsive pleading in accordance with Section 1104;
- 2. The Department's request for a Default Judgment against all Respondents for failure to appear at the time and place set for hearing, in accordance with Section 1109; and
- 3. The Department's request that Respondents Que-Corp., Queensway Companies and Jan F. Tatman be permanently prohibited from offering and/or selling securities in or from the State of Illinois.

NOW THEREFORE, IT IS HEREBY ORDERED THAT:

Respondents Que-Corp., Queensway Companies and Jan F. Tatman are permanently prohibited from offering and/or selling securities in or from the State of Illinois.

NOTICE: Failure to comply with the terms of this Order shall be a violation of the Section 12.D of the Act. Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of the Order, shall be guilty of a Class 4 Felony. This is a final order subject to administrative review pursuant to the Administrative Review Law, {735 ILCS 5/3-101 et seq.} and the Rules and Regulations of the Illinois Securities Act, {14 III. Admin. Code Ch. I, Section 130.1123). Any action for Judicial Review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.

Dated: This 9th day of January 2018.

BESSE WHITE

Secretary of State State of Illinois

Attorney for the Department: Paula K. Bouldon 69 W. Washington, Suite 1220 Chicago, IL 60602 312-793-3384